



## STATE OF MONTANA DEPARTMENT OF REVENUE JOB PROFILE

**Working Title**  
Tax Examiner II

**Job Code Title**  
Tax Examiner II

**Pay Band**  
06

**Job Code Number**  
132816

**Business and Income Taxes Division**  
Business Tax and Valuation Bureau  
Income and Withholding Tax Bureau

**Fair Labor Standards Act**  
Non-Exempt

The Montana Department of Revenue administers more than 30 state taxes and fees; establishes values for taxable property, including agricultural land, residential real estate, commercial real estate, forest land, business equipment, railroads and public utilities; supervises the operation of the state liquor stores and agencies and administers the laws governing the sale, taxation, and licensing of alcoholic beverages; and returns unclaimed property to its rightful owners.

The Business and Income Taxes Division is responsible for the administration, auditing, compliance, and collection activities for approximately 30 tax types and the appraisal and assessment of industrial and centrally assessed property. Tax types include corporation income, individual income, withholding, combined oil and gas, coal severance, other natural resource taxes, cigarette, retail telecommunications, lodging facilities, and miscellaneous taxes. The division includes the Administrative Team, Accounts Receivable and Collections Bureau (ARC), Business Tax and Valuation Bureau (BTV), and the Income and Withholding Tax Bureau (IWT).

- The Income and Withholding Tax Bureau is responsible for the daily management and compliance of individual, pass-through entities, and withholding taxes. The bureau includes the Compliance Unit; Income Tax Field Audit Unit; Income and Withholding Office Unit; and Taxpayer Accounting Unit.
- The Business Tax and Valuation Bureau is responsible for the daily management and compliance of the tax types associated with large taxpayers and valuation of centrally assessed and industrial property. Tax types include corporate income, natural resources, and miscellaneous taxes. The bureau includes the Utility and Industrial Property Unit; Corporation Tax Unit; Natural Resource Unit; and Miscellaneous Tax Unit.

### **Job Responsibilities**

The Tax Examiner II conducts audits of complicated and diverse tax situations, taxpayers, or entities including investigations of potential fraud situations. The incumbent plans, schedules, and conducts all steps of the audit and appeal process involving complicated and diverse tax situations and business structures. As a subject matter expert in assigned tax areas, the incumbent frequently provides technical support of ongoing division operations and audit activities for taxpayers and other program staff. The position reports to the unit manager and does not supervise other staff.

- **Tax Examination and Analysis 70%**
  1. Determines the need for audits. Selects appropriate audit subjects by assessing business profiles; evaluating referrals by other staff or government entities; reviewing tax returns; identifying non-filers; or using random selection procedures to identify audit candidates.

2. Develops an audit program. Analyzes and evaluates taxable income information, business profiles, and other relevant information. Reviews the operations of the taxpayer. Researches issues that may need to be addressed during the audit. Determines the information and materials necessary to conduct an effective audit. Examines the data to determine the scope of the audit such as whether to expand the audit period or to audit for additional taxes. Assesses likely audit results to determine how much time to spend on the audit and the actions that will bring taxpayers into compliance.
3. Conducts research and examination of extensive taxpayer records including income, expenses, production records, tax returns, and contracts to assess overall compliance with federal and state tax laws, rules, and policies in assigned tax areas. Interprets applicable tax laws and evaluates taxpayer circumstances to determine information needs. Identifies sources to obtain missing information such as legal documents, statements or questionnaires. Assesses and verifies the overall adequacy of financial data and documentation gathered.
4. Analyzes and evaluates financial records, fiscal management procedures, accounting systems, internal controls, internal and external exchanges, and related considerations to assess the integrity of accounting and tax filing methods and procedures. Identifies errors, deficiencies, anomalies, and violations. System analyses may involve research and discovery of misrepresented facts affecting taxation.
5. Establishes plans for noncompliant taxpayers when traditional audit techniques are insufficient. Researches and analyzes books and records to gather all available tax information. Examines records of income to determine whether income is underreported or unreported. Identifies the most effective method of determining tax for the taxpayer. Determines the need for, and initiates, administrative subpoenas with the assistance of legal staff to obtain necessary information. Calculates additional taxes, penalties, and interest due. When appropriate recommends necessary legal action. Provides Legal Services with supporting documentation, testimony, and other information to support recommendations.
6. Develops summary analyses and reports of audit findings to defend determinations of error, deficiency, anomaly, and violations. Explains procedures used during the audit; presents proposed audit adjustments and their basis in statute, regulations, administrative rules, and past administrative and court decisions; and provides sound and convincing rationale of findings and issues. At the exit conference, the incumbent may solicit payment of additional taxes, penalties, and interest as appropriate; negotiate on certain issues within general division guidelines; and explain the appeals process if there is opposition to the audit adjustments.
7. Provides expert testimony before the Office of Dispute Resolution, the State Tax Appeal Board, and District Court. Prepares and delivers testimony; compiles and explains supporting documentation; and provides rationale in defense of audit results.
8. Researches changes to state and federal tax codes, regulations, and policies. Assesses statewide and national trends and issues affecting division auditing operations to determine the need for modifications to existing rules and regulations. Recommends new or modified legislation, administrative rules, and department policies related to examination of tax returns.

- **Taxpayer and Program Support Services 25%**

1. Provides technical expertise to entry-level tax examiners in completing extensive, complex audits. Examines audit situations to provide targeted direction and guidance. Responds to specific questions. Reviews ongoing audit processes to ensure effective application of generally accepted audit practices and other professional standards.
2. Provides assistance to taxpayers in preparing various tax returns. Advises taxpayers in proper methods and procedures. Conducts research as needed to ensure that taxpayers have all the information needed to effectively complete returns and reports.
3. Provides information and instruction to taxpayers. This may include responding to specific inquiries; advising taxpayers in proper methods and procedures for filing tax returns; conducting research as needed to ensure that taxpayers have all the information needed to effectively complete returns and reports; providing advice and information through presentations to various

groups; or conducting other forms of outreach to promote understanding and compliance with tax laws, rules, and policies.

4. Provides input in the design of new reports, manuals, and audit programs to enhance and improve audit processes. Continually assesses existing reports, manuals, and programs to identify the need for modifications based on experience and research of new legislation, etc. Recommends modifications and implements approved revisions.
5. Participates in the development, enhancement, and maintenance of computer programs for the continual automation of audit processes. Researches and assesses business processes, anticipated changes to tax laws, and division operations to identify and recommend enhancements to existing programs and technology.
6. Serves as a business expert for assigned taxes or subject matter. Provides expert technical assistance to other staff and agencies as needed in assigned areas.
7. Interprets and explains state and federal laws to taxpayers, public officials, local governments, and others as applicable for this position.

- **Other Duties as Assigned 5%**

1. Performs a variety of other duties as assigned by supervisors.

### **Job Requirements**

To perform successfully as a tax examiner, incumbent must be self-motivated; possess a strong work ethic; maintain a positive attitude; and enjoy working with, and for, the public. It is essential that incumbent has deductive and inductive reasoning abilities to solve complex problems. Incumbent is required to make decisions based on the relative costs and benefits of potential actions. Skills in multi-tasking; paying attention to details and accuracy; managing multiple priorities under tight deadlines; mathematics; providing timely and effective written, verbal, and interpersonal communication; researching and analyzing data from multiple sources; analyzing various financial, technical, and legal documents; customer service; conflict resolution; following written and oral directions and instructions; and word processing, spreadsheet, and database applications are required. This position works with highly confidential financial and tax information and is required to maintain the highest level of confidentiality regarding all information acquired or used in performing this job.

This position requires knowledge of tax accounting and auditing standards, principles, and practices; financial analysis; investigative methods and procedures; state and federal tax laws, rules, and regulations; business practices; and use of computer applications related to taxes and finance.

- The minimum level of education and job-related work experience needed as a new employee **on the first day** of work is a bachelor's degree in accounting or finance, business administration, or public administration supplemented by college coursework in accounting and three years of progressively responsible experience with complicated tax matters.
  - Work experience should be made up of auditing, tax examining, or a closely related field.
  - Other combinations of education and experience will be evaluated on an individual basis.

### **Department Core Values**

- **Respect:** As a representative of the people of Montana, proceeds with the highest level of respect for the dignity of every person contacted through work. Without exception, all people are treated as equally as possible. The employee is a faithful steward of the resources provided to this agency by the citizens of Montana.
- **Integrity:** Conducts work honestly and makes decisions that establish a clear record that the department serves the public with integrity. Apologizes for mistakes and gives credit to others for their cooperation, work, and ideas in achieving positive results. Accountable for their actions and holds others accountable for theirs. Decisions and judgments achieve equity and justice for all parties involved including citizens and co-workers.

- **Productivity:** Consistently strives to minimize the waste of the department's financial, facilities, and human resources. Diligently works to improve the productivity and effectiveness of the work unit. Welcomes and encourages new ideas on improving the results of the department from the public, other officials, colleagues, and supervisors. Approaches work in a manner that builds goodwill, trust, and cooperation internally with other staff and externally with the public.
- **Teamwork:** Maximizes cooperation and teamwork when working with other employees, divisions, and other state agencies. Willing to work with others for the opportunity to learn from their ideas, talents, and knowledge. Seeks to resolve conflicts with other employees and work units in an open and respectful manner that reinforces teamwork. Celebrates the successes of others.

### **Working Conditions**

Must work under time constraints, be able to maintain numerous projects at one time, and determine priorities on a daily basis. At times, the incumbent will deal with angry, hostile, and difficult individuals to resolve concerns or to bring about compliance with regulations. This may cause stressful work conditions and a high degree of mental stress. As a Department of Revenue employee, the incumbent may come into contact with highly confidential financial and tax information and is required to maintain the highest level of confidentiality regarding all information acquired or used in performing this job. This position requires considerable computer and keyboard use. The incumbent may spend considerable time on the phone. Work hours may exceed 40 hours per week from time to time. Lifting is infrequent, less than 15 pounds and includes carrying light items such as papers and books. This job requires regular attendance as scheduled by the supervisor. This job cannot be performed at an alternate work site.

### **Special requirements**

- **Background Examination:** Applicants for this position will be subject to a criminal background review before being considered for employment. Individual circumstances involving a criminal conviction will be reviewed to determine an applicant's eligibility for employment.
- **Compliance with All Appropriate Montana Tax Laws:** An employee's tax status must be current.

**This job profile was produced by the Office of Human Resources in conjunction with the appropriate managers.**

**Division Administrator Review:** The statements in this job profile are accurate and complete.

Signature: Gene Walborn, Division Administrator Date: August 2010

**Human Resource Director Review:** The Office of Human Resources has reviewed this job profile.

Signature: JeanAnn Scheuer, Human Resources Director Date: August 2010

**Employee:** My signature below indicates I have read this job profile and discussed it with my supervisor.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name (print): \_\_\_\_\_